

# Submitting a CAURD Application

# Read Carefully & Use Available Tips

- When completing the application, you'll see information, definitions, and tips throughout
- Be sure to read through the instructions carefully and take advantage of the tips

## Tip

**Passive investor** means a person that has an aggregate ownership interest of no more than five percent of the outstanding shares of an applicant or licensee whose shares are publicly traded, and such person does not have control over the applicant or licensee.

*Example*

## Tip

If you do not currently have this information, you can click "Save and Continue"

**Note:** This information must be provided before final license approval.

*Example*



Office of Cannabis  
Management

# Save As You Go

- Throughout the application you can enter information and save your progress – you won't have to submit everything all at once
- Information you enter in NYS Business Express will pre-populate throughout the application
- The application responds to the information you include. The application mock-up online right now includes every possible question. When you are completing your application, only the questions relevant to your application will appear

# When In Doubt - Explain

## Ownership Interest

Before submitting a complete application, the applicant will need to disclose 100% of the ownership and equity structure on the applicant's business, except for those persons holding less than 5% ownership interest IF the applicant is a publicly traded corporation.

If the applicant is affiliated with a nonprofit organization that qualifies under the CAURD nonprofit eligibility criteria, please add the parent nonprofit organization as a "New Business" in the table below.

BUSINESS OWNERS (Individuals)
Title: Member Name: Faith Test Address: 123 N Main Ave Albany, NY 12206-1803 Albany United States (US) Phone Number: 1-564-564-5646 Ownership Percentage: 50
1 of 1 rows selected

Add New Individual

BUSINESS OWNERS (BUSINESS)
Title: Managing Member Name: CAURD LLC Address: 123 N Main Ave Albany, NY 12206-1803 Albany United States (US) Phone Number: 1-546-546-5456 Ownership Percentage: 50
1 of 1 rows selected

Add New Business

Passive Investors who Have Justice Involvement
Name: Joe Smith Address: 55 Central Ave Albany, NY 12205 Albany United States (US)

- You'll be asked to list all individuals with an ownership interest in your dispensary

Entered Ownership Percentage:  %

Percentage of ownership that is passive investors:  %  No passive investor has an aggregate ownership interest of more than 5%

Total Ownership:  %

Back

Save & Continue

# Include Info on Justice Involvement

- For each justice involved individual included on the application you will be asked to share information about any convictions of marijuana-related offenses
- You can include multiple convictions for each individual
- Be prepared to submit documentation of each conviction

Has the above named owner been convicted of a marijuana-related offense in New York State before March 31, 2021, or does the individual have a parent, dependent, and/or child convicted of a marijuana-related offense in New York State prior to March 31, 2021? Or was the above named owner a dependent of someone convicted of a marijuana-related offense in New York State before March 31, 2021?

Yes  No

Applicants are only required to enter one marijuana-related offense to be eligible but may enter all relevant convictions. The Office will only consider the conviction most beneficial to the applicant score.

Note that for the charges below, Cannabis/Marijuana/Concentrated Cannabis (hashish) MUST BE in the accusatory instrument.

- PL 240.36 Loitering in the First Degree,
- PL 220 Controlled Substances Offenses,
- when a conviction occurred where one of the below cannabis charges was dropped and the individual was convicted of a non-drug offense, violation, or misdemeanor supported by documentation

Select all applicable convictions.

- PL 221.05 Unlawful Possession of Marijuana in the Second Degree
- PL 221.10 Unlawful Possession of Marijuana in the First Degree
- PL 221.15 Criminal Possession of Marijuana in the Fourth Degree
- PL 221.20 Criminal Possession of Marijuana in the Third Degree
- PL 221.25. Criminal possession of marijuana in the second degree
- PL 221.30. Criminal possession of marijuana in the first degree
- PL 221.35 Criminal Sale of Marijuana in the Fifth Degree
- PL 221.40 Criminal Possession of Marijuana in the Fourth Degree
- PL 221.45. Criminal sale of marijuana in the third degree
- PL 221.50. Criminal sale of marijuana in the second degree
- PL 221.55. Criminal sale of marijuana in the first degree
- PL 240.36 Loitering in the First Degree
- PL 220 Controlled Substances Offenses
- a conviction occurred where one of the above cannabis charges was dropped and the individual was convicted of a non-drug offense, violation, or misdemeanor

Number of Convictions

2  
0  
0  
0  
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0  
0  
0  
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0  
1  
0  
0  
1

# Upload Clear, Readable, & Complete Documents

- Make sure all of your supporting documents are uploaded correctly
- Double check to make sure all arrest/conviction documentation are readable and contain all the information you are trying to share
  - **For documents proving marijuana-related offenses be sure the supporting document includes cannabis/marijuana/concentrated cannabis (hashish) in the accusatory instrument**
- If you have multiple documents proving something (i.e., arrest report, certificate of disposition, letter of expungement) upload them all – OCM will analyze the document

# Upload Clear, Readable, & Complete Documents

The applicant must submit documentation to provide proof of the marijuana-related offence. Each selection will require a corresponding upload.

THE SUPPORTING DOCUMENT(S) MUST INCLUDE CANNABIS/MARIJUANA/CONCENTRATED CANNABIS (HASHISH) IN THE ACCUSATORY INSTRUMENT.

Certificate of Disposition;

Choose a File:

A record of judgment and conviction;

A record of plea, verdict and sentence;

A docket entry from court records that indicates the existence of a conviction;

Minutes of a court proceeding or a transcript of a hearing that indicates the existence of a conviction;

An abstract of a record of conviction prepared by the court in which the conviction was entered, or by a state official associated with the state's repository of criminal justice records, that indicates the fo

Any document or record prepared by, or under the direction of, the court in which the conviction was entered that indicates the existence of a conviction;

Any other evidence that reasonably indicates the existence of a criminal conviction may be admissible as evidence thereof;

Arrest Record;

Police File;

Health Records indicating arrest/conviction;

Notarized attorneys letters;

Acknowledgement of Application to Destroy Expunged Marijuana Conviction Record (DCJS);

Submitted Application to Destroy Expunged Marijuana Conviction Record;

CPL-440 Form;

Governor's Commutation;

Choose a File:

Responsive records that may be maintained by local or state correctional facilities (e.g., DOCCS inmate or parolee lookup);

Results from a criminal history background check; or

Any other information verifying a marijuana-related offense as approved by the office

description for Any Other

# Provide Detail on Your Qualifying Business

Did this qualifying business have a net profit for at least 2 years?

Yes  No

What percentage of the qualifying business did the aboved named individual own?

%

What was the largest number of W2 employees on the above named qualifying business's payroll during the two years of highest net profitability when the applicant had a 10% or greater ownership stake in the qualifying business?

Since the aboved named justice involved applicant assumed ownership in the qualified business, how many years has the business been in operation?

Upload the most recent two years of tax returns for the above named qualifying business when the applicant had a 10% or greater ownership stake in the qualifying business

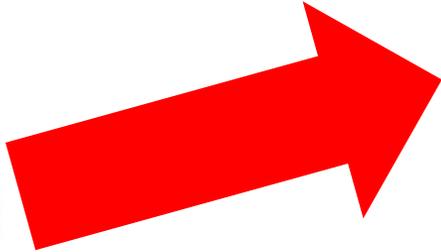
Did the above named qualifying business have retail operations selling goods directly to the consumer?

Yes  No

Did the aboved named qualifying business have a physical location where the customers could visit?

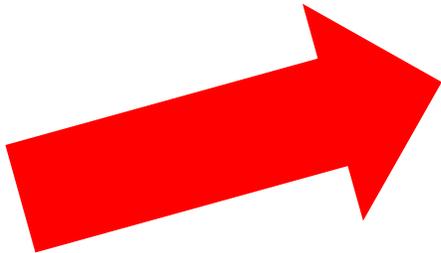
Yes  No

Tip Box:  
Please include self-employed individuals in the "employee" count.



You'll have to explain how the qualifying businesses was owned and structured

Tip Box:  
A retail establishment is an establishment 75% of whose annual dollar volume of sales is not for resale and is recognized as retail in the particular industry. A retail business could include but is not limited to grocery stores, hardware stores, clothing stores, restaurants, hotels, watch repair establishments, barber shops, etc., and other such local establishments selling goods and services to the general public



Other questions will ask what kind of business this was and where it was located

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Upload the most r qualifying busines the qualifying bus

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Yes  No

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**REMEMBER: THE QUALIFYING BUSINESS IS NOT THE DISPENSARY YOU'RE APPLYING TO OPEN**

# Describe the “Applicant” Business

## Applicant Overview

Is the applicant incorporated or otherwise organized under the laws of New York State?

Yes  No

Please enter the DOS ID that is stated on the certificate:

Please upload the applicant entity’s certificate granted by the New York State Department of State

Select file to upload:

Has the applicant or does the applicant intend to apply for New York State certified Minority Owned Business, Woman Owned Business, Minority Woman Owned Business or Service Disabled Veteran Owned Business status?

Yes  No

Explain

Select file to upload:

Upload the applicant’s most up-to-date organizational documents.

Select file to upload:

Describe any and all ownership changes between the formation of the applicant and the date the application is submitted.

Explain

Select file to upload:

Upload an organizational chart indicating the first name, last name, and title of all persons who have decision making authority, control and management over the applicant entity or its assets, including any board members, officers, and directors of the entity and any parent, holding, or management companies.

**HELP TIP**

Organizational documents include but are not limited to certificates of incorporation, certificates of limited partnerships, articles of organizations, charter, by-laws, partnership agreement, agreements between any two or more persons of the applicant that relate in any manner to the assets, property or profit of the applicant, or any other comparable documents that set forth the legal structure of the applicant or relate to the organization, management or control of the applicant

**HELP TIP**

Including, but not limited to events such as asset sales and purchases, stock sales and purchases, mergers, business combinations, or consolidations involving the applicant, including all former names of the applicant. If there are no changes, enter Not Applicable

- Remember – whenever you’re asked for information on the “Applicant” that means the retail dispensary you are applying to operate
- You can upload your organization documentation and describe any changes you’ve had in ownership
- Explain how your business is organized including a chart of everyone with decision making authority

# Tell OCM What You Can

Please list all subsidiary companies, affiliate companies, predecessors, and successors of the applicant including information or diagrams explaining how the subsidiary and affiliate companies, predecessor and successors are related to the applicant. If no such relationship(s) exist, this question is not required.

Select file to upload:

Upload a copy of any management agreement, contract, arrangement, or other type of formal understanding between a contractor and an applicant where the contractor will or does provide administrative, operational, financial, advisory, and/or management services to an applicant in exchange for remuneration and a list of all the parties that are contained in those agreements

Select file to upload:

Upload a list of each vendor with which the applicant has entered into a contract, term sheet, agreement, or side letter. Include the business entity name of the vendor and a description of the agreement or arrangement for goods and services.

Select file to upload:

Did you enter into an agreement with any person who was granted a financial interest in the applicant's business?

Explain

Select file to upload:

Upload a copy of each agreement between the applicant and the entity/individual or entities/individuals.

Select file to upload:

What is your plan in case the applicant, owners, or True Parties of Interest decide to leave the business, there is a material change in applicant's ability to operate the business, or otherwise become unable to operate the business?

Select file to upload:

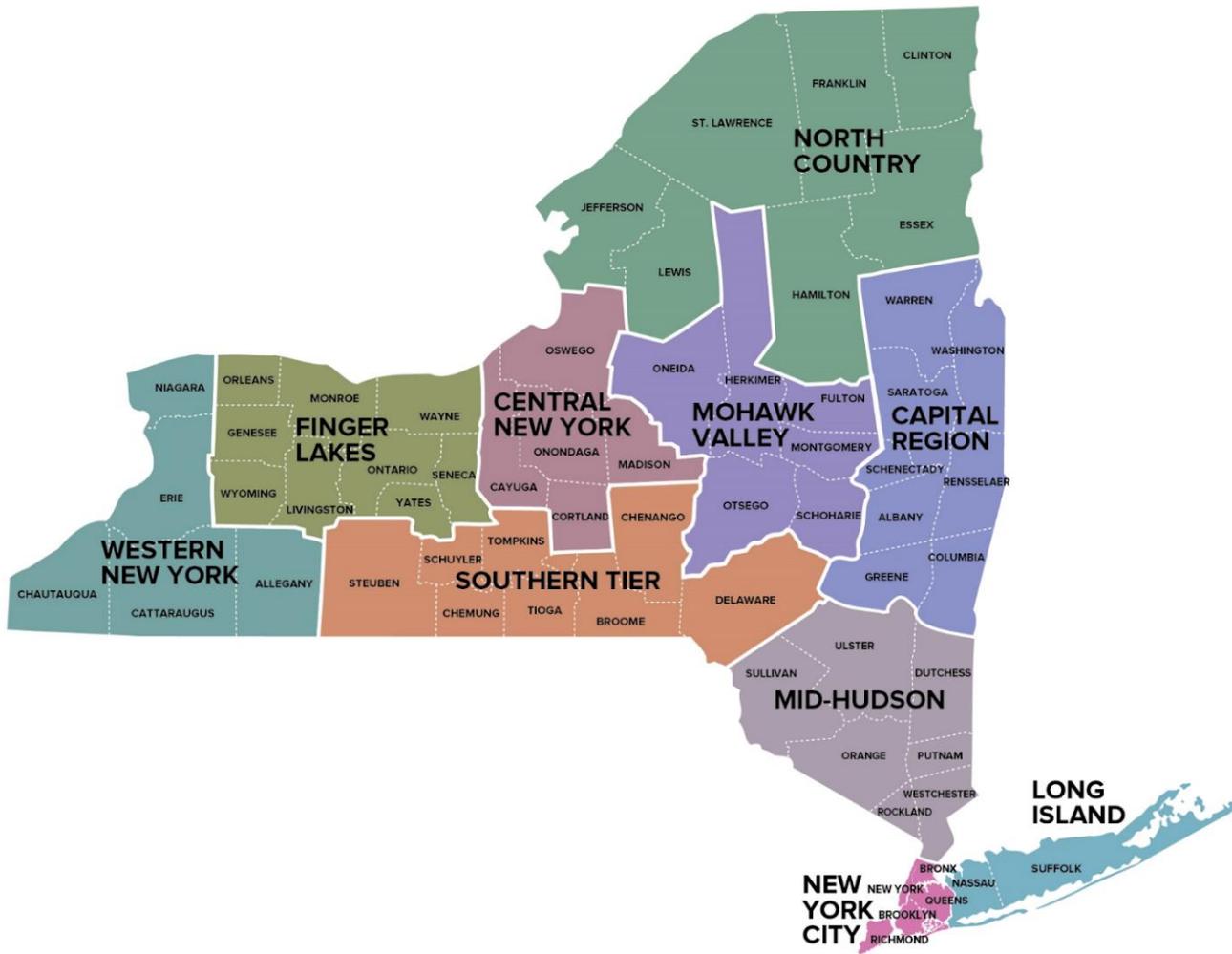
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- OCM understands some parts of your planned dispensary may still be in development
- If your application is selected to move forward you may submit copies of management, contractor, or other vendor agreements in the future

# Rank Your Top Five Geographic Regions



## Geographic Preference

Please select and rank up to five geographic regions the applicant would prefer to operate a Conditional Adult-Use Retail Dispensary license

**Tip Box:**

Applicants will be considered for their "Preference 1," region. Applicants will only be considered for their "Preference 2," region where there are more available licenses in a region than the number of applicants who have ranked such region as their first preference.

Regions are comprised of counties. Please identify your region in the map at the following link: <https://esd.ny.gov/file/esd-regional-map.jpg>. Please note New York City as a region has been subdivided into the five boroughs.

Preference 1

Western NY

- Finger Lakes
- Southern Tier
- Central NY
- Mohawk Valley
- Capital Region
- Mid-Hudson
- Long Island
- North Country
- Bronx
- Manhattan
- Brooklyn
- Richmond
- Queens

Preference 2

Western NY

- Finger Lakes
- Southern Tier
- Central NY
- Mohawk Valley
- Capital Region
- Mid-Hudson
- Long Island
- North Country
- Bronx
- Manhattan
- Brooklyn
- Richmond
- Queens

Preference 3

Western NY

- Finger Lakes
- Southern Tier



# True Parties of Interest

- NYS Cannabis Law was designed to avoid monopolies (businesses or individuals that control a particular industry or market)
- OCM wants to support the development of an equitable, competitive cannabis industry
- To help avoid the growth of monopolies, OCM collects information on anyone who has a financial interest in a licensed cannabis business
- This helps OCM make sure that all businesses and individuals are following laws and limiting the number of licensed business

# Who is a True Party of Interest (TPI) ?

- Examples of True Parties of Interest (TPI) include, but are not limited to:
  - Sole proprietor, partner (whether limited or general), member, manager, president, vice president, secretary, treasurer, officer, board member, trustee, director, and a person with equivalent title
  - Stockholder of applicant or licensee, other than a passive investor (unless the passive investor is being used to meet the 51% Justice Involved requirement)
  - Each person that makes up the ownership structure of each level of ownership for an applicant or licensee that as a multilevel ownership structure
  - Spouse of any of the above TPI

# Don't Forget These True Parties of Interest (TPI)

- Someone with the right to receive some or all of the revenue, gross profit, or net profit from the licensed business during any full or partial calendar or fiscal year;
- Someone with a financial interest in the applicant or licensee;
- Someone who has authority to or exercises control over the applicant or licensee;
- Someone who has membership rights in the applicant or licensee in accordance with the provisions of any articles of incorporation, bylaws, limited liability corporation agreements, partnership agreements or operating agreement;
- Someone that assumes responsibility for the debts of the applicant or licensee

# Financial Disclosures

- The “applicant” will be required to disclose information on the amount and source of funds involved in the proposed dispensary
- Applicants must disclose all cash, borrowed funds, and expenses for the business
  - This includes capital provided as a gift, grant or loan
- This includes information on any financial institution (e.g., bank, mutual savings bank, consumer loan company, credit union, savings and loan association, trust company, etc.) or financier that has provided capital

# Stay Connected to OCM

- Pay attention to regular updates on the OCM website
  - Staff are reviewing questions submitted to the Office and updating the FAQ section of the website
  - Be sure to read through the FAQs thoroughly as they will contain the most up to date information
- Additional online training is coming
  - OCM will be providing an additional recorded training on the application submission process closer to the application launch date
- Continue submitting questions to: [licensing@ocm.ny.gov](mailto:licensing@ocm.ny.gov)